



[Print](#) | [Close this window](#)

Antigua seeks WTO arbitration in U.S. gambling dispute

Thu Jan 31, 2008 1:02pm EST

GENEVA (Reuters) - Antigua has asked the World Trade Organization (WTO) to arbitrate in a dispute over gambling with the United States, its lawyer in the case said on Thursday.

Mark Mendel told Reuters that Antigua, which last month won a related case against the United States for being shut out of the U.S. online gambling market, was continuing to seek discussions with Washington.

In that case the WTO ruled that Antigua was entitled to compensation of \$21 million a year -- far less than the tiny Caribbean nation had sought; but, controversially, it was given the right to levy the sanctions on U.S. intellectual property by lifting copyright on products such as software or DVDs.

As a result of an earlier ruling in that case -- that a U.S. law allowing only domestic companies to provide online horse-race gambling services was discriminatory -- Washington announced in May last year it would withdraw gambling from the services it opened up under a 1994 world trade deal.

Under WTO rules the United States then had to offer comparable access in other services to any of the WTO's 151 members who sought it, prompting the current dispute.

The European Union has said it reached an agreement with the U.S. over access to postal and courier, research and development and storage and warehouse services in compensation.

Washington has reached similar deals with Japan and Canada.

But no agreement has been reached with four other countries seeking compensation -- Antigua, Macau, Costa Rica and India.

"What they are very much hoping to do is withdraw the commitment and get away with it. That would be horrible for the WTO," Mendel said.

Mendel said Costa Rica had also filed for arbitration by the January 28 deadline to do so.

Macau did not file for arbitration by the January 28 deadline, an official at the Chinese territory's WTO mission said. A spokeswoman for U.S. Trade representative Susan Schwab declined to comment. Officials in the WTO missions of Costa Rica and India were not available for comment.

Although Antigua won much less than the \$3.44 billion it had sought in the trade dispute, it hopes that its right to break copyright on U.S. products would give it plenty of leverage in seeking compensation for the U.S. withdrawal of gambling.

Under WTO rules, parties seeking arbitration in disputes like this about changing services commitments have 20 days to agree on the arbitrators, usually three people forming a panel.

If they fail to agree on the arbitrators any party can ask the WTO's director-general to appoint them within 10 days.

(Reporting by Jonathan Lynn; Editing by Stephen Weeks)

© Reuters 2007. All rights reserved. Republication or redistribution of Reuters content, including by caching, framing or similar means, is expressly prohibited without the prior written consent of Reuters. Reuters and the Reuters sphere logo are registered trademarks and trademarks of the Reuters group of companies around the world.

Reuters journalists are subject to the Reuters Editorial Handbook which requires fair presentation and disclosure of relevant interests.